

STATE OF NORTH CAROLINA
COUNTY OF WAKE

IN THE OFFICE OF
ADMINISTRATIVE HEARINGS
13 DHR 14680

ACI SUPPORT SPECIALISTS, INC.)

Petitioner,)

v.)

N. C. DEPARTMENT OF HEALTH)
AND HUMAN SERVICES)

Respondent)

SETTLEMENT
AGREEMENT

This Settlement Agreement ("Agreement") is made and entered into effective as of the date of execution by and between ACI Support Specialists, Inc., and its predecessors, successors, parents, subsidiaries, managers, affiliates, assigns, officers, directors, employees, and agents (hereinafter "Petitioner") and the North Carolina Department of Health and Human Services, Division of Social Services (hereinafter "Respondent"). The foregoing parties are at times referred to herein collectively as "Parties" and individually as a "Party."

BACKGROUND STATEMENT

1. Petitioner is licensed to operate a Child Placing Agency for Foster Care by the North Carolina Department of Health and Human Services (DHHS), Division of Social Services (DSS) from 31 August 2012 to 31 August 2014.

2. Due to numerous violations of licensure rules for Child Placing Agencies promulgated pursuant to N.C.G.S. 131D, Article 1A and found in 10A NCAC 70E, 70F, and 70G, the Respondent previously required two Plans of Correction from the Petitioner following its 2012 re-licensure.

3. In conjunction with the second Plan of Correction, the Petitioner's license was also downgraded by the Respondent to provisional status for the maximum six-month period, which expired on 4 June 2013.

4. On or about 5 June 2013, with rule violations remaining and an additional confirmed complaint against the Petitioner, the Respondent sent a Notice of Administrative Action to the Petitioner stating that it had determined that the Petitioner was not in compliance with the rules for licensure in order to operate as a Child Placing Agency for Foster Care, and therefore, it was revoking its license.

5. On or about 8 July 2013 a Petition for a Contested Case Hearing pursuant to N.C.G.S. § 150B-23 was filed by the Petitioner with, and accepted by, the Office of

Administrative Hearings contending that the decision to revoke its license was erroneous, affected by errors of law, and otherwise violates the standards of N.C.G.S. § 150B-23(a).

6. On or about 16 July 2013, Julian Mann, III, Chief Administrative Law Judge, Office of Administrative Hearings, assigned Melissa Owens Lassiter, Administrative Law Judge, to preside over this case.

TERMS OF AGREEMENT

NOW, THEREFORE, for and in consideration of the mutual promises and covenants hereinafter set forth, for agreed upon consideration, and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, the Parties, for themselves and their predecessors, successors, parents, subsidiaries, managers, affiliates, assigns, officers, directors, employees, agents, and attorneys, agree as follows:

7. The settlement effected by this Agreement is a compromise of disputed claims, made to avoid the uncertainty and expense of litigation. The promises and terms agreed to herein are not to be construed as an admission of any alleged liability, nonconformity, error, or other deficiency on the part of any Party. Any such alleged liability, nonconformity, error, or other deficiency is expressly denied by the respective Parties.

8. By executing this Agreement, the Parties acknowledge that it resolves all matters presented by the above-captioned case, waive any further appeal rights, if any, relating to the claim at issue, and agree to the following terms and conditions:

a. Petitioner will improve its weekly supervision notes for Therapeutic Foster Care-Level II and will comply with the provisions of 10A NCAC 70G .0503(s). Petitioner will provide the Respondent with a copy of its form and a representative sample of notes of weekly visits consisting of one note from each of its offices by 3 January 2014. Respondent will respond to the Petitioner with written feedback by 17 January 2014.

b. Petitioner will improve its documentation of quarterly visits and will comply with the provisions of 10A NCAC 70E .1113. Petitioner will create a form using all of the content in the Respondent's Form RLS 26 and will provide the Respondent with a copy of the form for its approval. Petitioner will provide the Respondent with this form and a representative sample of completed notes of quarterly visits consisting of one note from each of its offices by 3 January 2014. Respondent will respond to the Petitioner with written feedback by 17 January 2014.

c. Petitioner will improve its documentation of monthly child visits and will comply with the provisions of 10A NCAC 70G .0503(o). Petitioner will create a form using all of the content in the Respondent's Form DSS 5295 and will

provide the Respondent with a copy of the form and a representative sample of completed monthly child visits consisting of one note from each of its offices by 3 January 2014. Respondent will respond to the Petitioner with written feedback by 17 January 2014.

d. Petitioner will create a process by which it can ensure compliance with the provisions of 10A NCAC 70G .0506(a)(4)(C). Specifically, and not by way of limitation, the Petitioner will ensure that medication orders contained in its files include the name of the medication, dosage, and frequency and that there is consistency between the medication order and Medication Administration Record (MAR).

e. Respondent will continue to conduct reviews to determine the Petitioner's continued compliance with the above issues and all other rules of licensure, including a March 2014 pre-licensure review of records.

f. The Parties stipulate that upon the execution of this Settlement Agreement, Respondent's Notice of Administrative Action seeking revocation of the Petitioner's license as a Child Placing Agency for Foster Care is withdrawn.

g. Respondent will notify the County Departments of Social Services and other Child Placing Agencies of its decision to withdraw the revocation of the Petitioner's license within five (5) business days after the execution of this Agreement.

h. Petitioner agrees to file with the Office of Administrative Hearings a notice of dismissal with prejudice of the 13 DHR 14680 Contested Case along with an original and one copy of this Agreement within fifteen (15) days from the date that the Respondent mails the fully executed Settlement Agreement to the Petitioner or the Petitioner's attorney.

9. All attorney's fees, costs or expenses related to all cases and disputes described herein shall be borne by each of the Parties individually and no claim for such fees, costs or expenses shall be made.

10. Each Party hereby releases the other, its current and former officials, employees, attorneys, agents and representatives, from any and all liability and causes of action that have arisen or may arise out of the 5 June 2013 Notice of Administrative Action or 13 DHR 14680 Contested Case.

11. This Agreement constitutes the entire understanding and agreement between the Parties with respect to the subject matter hereof, and there are no promises, understandings, or representations other than those set forth herein. This Agreement supersedes any and all other prior agreements and drafts regarding the subject matter hereof. This Agreement may not be amended or modified except by a writing signed by both of the Parties or their duly authorized representatives.

12. This Agreement shall be construed and governed according to the laws of the State of North Carolina. If any provisions of this Agreement are held to be invalid or unenforceable, all other provisions shall nevertheless continue in full force and effect.

13. Each Party acknowledges that it has carefully read this Agreement, knows the contents thereof, and executes the Agreement voluntarily as its own free act. Each Party further acknowledges that it has conferred to the extent that it has deemed appropriate with legal counsel regarding this Agreement prior to its execution.

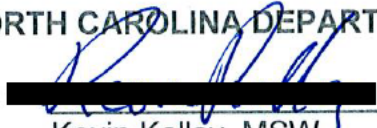
14. The undersigned represent and warrant that they are authorized to enter into this Agreement on behalf of the Parties.

WHEREFORE, the Parties have executed this document consisting of four pages in triplicate originals, one to be retained by each Party hereto and one original and a copy to be forwarded to the Administrative Law Judge to be filed for the record. This Agreement shall be effective upon the occurrence of the complete execution of this Agreement.

ACI SUPPORT SPECIALISTS, INC.

By:  Date: 1/8/14
Tim Wadford
Chief Executive Officer
ACI Support Specialists, Inc.

NORTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES

By:  Date: 1-10-14
Kevin Kelley, MSW
Section Chief, Child Welfare Services
Division of Social Services
North Carolina Department of Health and Human Services